



Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 31, 2005

Greg Foy Reilly Industries, Incorporated P.O. Box 580 Wendover, Utah 84083-0580

Subject: Release of Surety Bond, Reilly Industries, Incorporated, Bonneville Plant -

Reilly Wendover Mine, M/045/002, Tooele County, Utah

Dear Mr. Foy:

In September 17, 2001, the Division received a \$49,100 surety bond issued by Travelers Casualty and Surety Company of America and a Reclamation Contract for the Bonneville Plant – Reilly Wendover site. There were corrections that were required on those documents (namely the name on the surety was Reilly Tar & Chemical Corp, and the Contract had Reilly Industries, Inc.).

Those corrections were never made by Reilly or the surety company and those documents were never finalized. Apparently, because the site was going to be transferred, the time and energy went into the transfer process.

On March 31, 2004, the Division finalized the transfer from Reilly to Intrepid Wendover Potash. In order to complete the transfer process, Intrepid was required to replace the \$49,100 reclamation surety. When the transfer was completed, the Division inadvertently neglected to return Reilly's original surety.

We have enclosed the original Surety Bond for your disposal or return to the surety company. We apologize that this error occurred.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

non R Haddock

DRH:jb

Enclosure: Original Travelers Surety Bond #027S103350602BCM

cc: John Kirkham, Stoel Rives LLP w/encl



FORM MR-5
January 19, 2000

Port of Wilson of Oil, Gas and Mining
1594 West North Temple Suite 1210

Box 145801

Salt Labo

Bond Number M/045/002 Mine Name Bonneville Plant

Replaces Bond No.

RECEIVED

SEP 17 2001

DIVISION OF OIL GAS AND MINING Tusteged 3/25/04

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Reilly Tar & Chemical Corporation, as Principal, and Travelers Casualty and Surety Company of America, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) in the penal sum of Forty Nine Thousand One Hundred and No/100 ** dollars (\$49,100,00 ****).

Principal has estimated in the Mining and Reclamation Plan approved by the Division on the 08 day of June 1988 XXXX that 87,821 acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the Page 2 MR-5 (revised January 19, 2000) Attachment B Bond Number _____ Permit Number ______M/045/002 ____ Mine Name _Bonneville Plant Replaces Bond No.

expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Reilly Tar & Chemical Corporation		
Principal (Permittee)		
1175		
By (Name typed): Robert D. McNeeley President & CEO, Reilly Industries, Inc., f/k/a Reilly Tar & Chemical		
Title Corporation		
	September 13, 2001	
Signature	Date	
Surety Company		
Travelers Casualty and Surety Company of America	215 Shuman Boulevard	
Surety Company Name	Street Address	
	Naperville, IL 60563	
Surety Company Officer	City, State, Zip	T.
Debra C. Schneider Attorney-In-Fact	630/961-7031	
Title/Position	Phone Number	
Lebra C Achnerder	September 6, 2001	
Signature	Date	

Page 3	
MR-5 (revised January	19, 2000)
Attachment B	

Bond Numbe	i		
Permit Numb	er M/O	45/002	1
Mine Name			
Replaces	Bond	No.	

SO	AGREED	this	day of	, 20	

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

Lowell P. Braxton, Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

Page 4 MR-5 (revised January 19, 2000) Attachment B Bond Number ______ Permit Number M/045/002 Mine Name Bonneville Plant Replaces Bond No.

AFFIDAVIT OF QUALIFICATION

On the <u>06th</u> day of <u>September</u>	, 20 01 , Debra C. Schneider
personally appeared before me, who being by n	ne duly sworn did say that he/she, the said
Debra C. Schneider	is the <u>Attorney-In-Fact</u> of
elers Casualty and Surety Company of America signed on behalf of said company by authority	_and duly acknowledged that said instrument was
directors and said Debra C. Schneider	duly acknowledged to me that said
company executed the same, and that he/she is	duly authorized to execute and deliver the
foregoing obligations: that said Surety is author	rized to execute the same and has complied in all
respects with the laws of Utah in reference to b	becoming sole surety upon bonds, undertaking and
obligations.	
	`
	Signed Signed
	Surety Officer
	a a a beståen
	Debra C. Schneider Title: Attorney-In-Fact
	Title: Accorney-in-ruce
	
STATE OF Missouri	
) ss:	
COUNTY OF St. Louis	
Subscribed and sworn to before me this06th	h day of September 2001.
Subscribed and sworn to before the this	
	Kall The
	Janua X Dam
1	Notary Public
	Residing at: St. Louis, MO
My Commission Expires:	CANDDA L MAR
	SANDRA L. HAM Notary Public - Notary Seal
January 13 20 05	Notary Public - Notary Seal STATE OF MISSOURI
<u>January 13</u> , 20 <u>January 13</u>	St. Louis County My Commission Explore January 13, 2005
	I WY COMMERCIA FYNIGE Jenuary 13, 2005

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS have caused this instrument to be signed by their Senior Vice President, and their corporate seals to be hereto affixed this 12th day of October, 1999.

STATE OF CONNECTICUT

}SS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
TRAVELERS CASUALTY AND SURETY COMPANY OR ILLINOIS









By George W. Thompson

George W. Thompson Senior Vice President

On this 12th day of October, 1999 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY, FARMINGTON CASUALTY COMPANY and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



Marie C Tetreault

My commission expires June 30, 2001 Notary Public Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and RARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, and TRAVELERS CASUALTY AND SURETY COMPANY OF ILLINOIS, stock corporation of the State of Illinois, DO HERBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Scaled at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this O6th
September , 2001.

day of









By_

Kori M. Johanson Assistant Secretary, Bond

TIMM

Exhibit	Α	to	Reclamation	Bond	No.	. •

LEGAL DESCRIPTION OF PERMITTED LANDS

I. Fee Lands Owned By Operator

Township 1 South, Range 17 West, S.L.M.

Section 7:

Lots 4, 5 Lots 1-4, WżEżNWż, EżSWż Lots 1-4, NEŻNWŻ, WżSEŻNWŻ, Section 18: Section 19:

WNEESWE

Section 30: Lots 1, 5, 6

Township 1 North, Range 18 West, S.L.M.

Section 36: WZSWZSEZ, SEZSWZ, EZSWZSWZ

Township 1 South, Range 18 West, S.L.M.

Lots 3, 4, SENWE, SWE, WESWENEE, Section 1:

Wisel, Wiselsel Section 2: All

Section 3: EISEINEL, SEISWI, EISEI, EINWISEI,

SW七SE七

Section 9: SEZNEŻ, EŻSWŻNEŻ, EŻNEŻSWŻ,

EISWISWI, SEISWI, SEI

Section 10: All Section 11: All

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Township 1 South, Range 18 West, S.L.M. (cont.)
      Section 12:
                      All
      Section 13:
                      All
      Section 14:
                      A11
      Section 15:
                      All
      Section 16:
                      All
      Section 17:
                      A11
      Section 18:
                      All
      Section 19:
                      All
      Section 20:
                      A11
      Section 21:
                      All
      Section 22:
                      All
      Section 23:
                      All
      Section 24:
                      All
      Section 25:
                      A11
      Section 26:
                      All
      Section 27:
                      All
      Section 28:
                     A11
      Section 29:
                     All
      Section 30:
                     Al1
     Section 31:
                     Al1
     Section 32:
                     All
     Section 33:
                     All
     Section 34:
                     All
     Section 35:
                     All
     Section 36:
                     NEWNEY, WYSEYNEY, WYNEY, WY,
                     WNWWSEL
Township 1 South, Range 19 West, S.L.M.
     Section 4:
                     SE社SW社
     Section 9:
                     NENWY
     Section 13:
                     All
     Section 14:
                     SŁ
     Section 15:
                     S눌
     Section 21:
                     All
     Section 22:
                     All
     Section 23:
                     All
     Section 24:
                     A11
     Section 25:
                     A11
     Section 26:
                     All
     Section 27:
                     A11
     Section 28:
                     All
     Section 33:
                     A11
     Section 34:
                     All
     Section 35:
                     All
     Section 36:
                     All
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Township 2 South, Range 18 West, S.L.M.

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Section 1:
               Section 2:
               All
Section 3:
               A11
Section 4:
               All
Section 5:
               A11
Section 6:
               All
Section 7:
               A11
Section 8:
               A11
Section 9:
               All
Section 10:
               All
Section 11:
               WENEZNEZ, NWZNEZ, WZSWZNEZ, NWZ,
               WINELSWY, NWISWY, WISWISWY
Section 15:
               Wineinei, nwinei, wiswinei, nwi
Section 16:
               N支
Section 17:
               NE &
Section 17:
               SEY, Wy
Section 18:
               All
Section 19:
               All
Section 20:
               All
Section 29:
               All
Section 30:
              A11
Section 31:
              A11
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Township 2 South, Range 19 West, S.L.M.

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Section 1:
                AI1
Section 2:
                All
Section 3:
                A11
Section 4:
                All
Section 5:
                Lot 1, SE\NE\, NE\SE\ S\SE\
Section 8:
                Eż
Section 9:
                All
Section 10:
                All
Section 11:
                All
Section 12:
                All
Section 13:
                All
Section 14:
                All
Section 15:
                All
Section 17:
                ΕŻ
Section 20:
                Eż
Section 21:
                All
Section 22:
                All
Section 23:
                All
Section 24:
                All
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Township 2 South, Range 19, West, S.L.M. (cont.)

)

Section 25: A11 Section 26: All Section 27: All Section 28: All Section 29: All Section 30: ENES Section 31: EAEA Section 33: **A11** Section 34: All Section 35: A11

Township 3 South, Range 18 West, S.L.M.

Section 5: Lots 1-4, Sinz Section 6: Lots 1-4, Sinz

Township 3 South, Range 19 West, S.L.M.

Section 1: Lots 1-4, Sinis Section 3: Lots 1-4, Sinis Section 4: Lots 1-4, Sinis Section 5: Lots 1-4, Sinis Section 6: Lot 1, Seine's

II. Federal Lands Under Potash Lease To Operator

Township 1 North, Range 16 West, S.L.M., Utah

Section 6: Lots 5-7; SE\(\frac{1}{2}\)N\(\frac{1}{2}\); E\(\frac{1}{2}\)SW\(\frac{1}{2}\)
Section 18: Lots 1-4; E\(\frac{1}{2}\)SW\(\frac{1}{2}\); E\(\frac{1}{2}\)SW\(\frac{1}\)SW\(\frac{1}\)SW\(\frac{1}{2}\)SW\(

Township 1 South, Range 17 West, S.L.M., Utah

Section 3: Lots 1-4; SWANWA; SENEA; SEANWA;

S½; (A11)

Section 4: SE%

Section 7: Lots 1-2; E\(\frac{1}{2}\)NW\(\frac{1}{2}\); E\(\frac{1}{2}\)SW\(\frac{1}{2}\); E\(\frac{1}{2}\)SW\(\frac{1}{2}\);

SENEL; SEL

Section 8: E\(\frac{1}{2}\)SE\(\frac{1}{2}\); E\(\frac{1}{2}\)NE\(\frac{1}{2}\); S\(\frac{1}{2}\)NE\(\frac{1}{2}\); S\(\frac{1}{2}\)NE\(\frac{1}\)NE\(\frac{1}{2}\)NE\(\frac{1}{2}\)NE\(\frac{1}{2}\)NE\(\frac{1}{2}\)NE\(\frac{

Wisel

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Section 9:
                ATT
Section 10:
                All
Section 11:
                Wis
Section 15:
                Win
Section 17:
                All
Section 18:
                Ez; EzEzNWz
Section 19:
                Ez, Ezseznwz; Eznezswz; sezswz
Section 20:
                NW坛; SW坛; E坛; (A11)
                Wz; WzEż
Section 21:
Section 28:
                WaEs; Wa
Section 29:
               All
Section 30:
               Lot 4; Ez; Ezwz; Ezswznwz; Eznwzswz
               Lots 1-4; E W; E; (A11)
Section 31:
Section 33:
               Was Ward
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Township 1 North, Range 17 West, S.L.M., Utah

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Section 1:
                 SEL; SELNEL
Section 11:
                 SE%
Section 12:
                All
Section 13:
                All
Section 14:
                N호; NW\SW\Z; SE\Z; SW\ZSW\Z; E\ZSW\Z;
                 (A11)
Section 15:
                SEZ
Section 22:
                E
Section 23:
                All
Section 24:
                All
Section 25:
                All
Section 26:
                All
Section 27:
                EZEZ
Section 34:
                EZSEZ; EZNEZ
Section 35:
                All
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Township 2 South, Range 17 West, S.L.M., Utah

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Section 4:
               Lots 2-4; SWENEE; SENWE; SWE; WESEE
Section 5:
Section 6:
               Lots 1-7; E克SW4; SE4; SE4NW4;
               SZNE4; (A11)
Section 7:
               Lots 1-4; E&W2; E2; (All)
Section 8:
               All
Section 9:
               Wz; Wzeż
Section 17:
               All
               Lots 1-4; E支; E支W支; (All)
Section 18:
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Township 2 South, Range 18 West, S.L.M., Utah

Section 1: Lots 1-2; SENEZ; SEZNWZ: EZNWZSWZ:

NESSWE; SESWE, SEE

Section 11: EZNEZNEZ; EZSWZNEZ; EZNEZSWZ;

SENNEN; ESSWASWA; SEASWA; SEA

Section 12: A11 Section 13:

All Section 14: A11

Section 15: EZNEZNEZ; EZSWZNEZ; SEZNEZ; SZ

III. Utah State Lands Under Lease to Operator Pursuant to Utah State Surface Use Lease Agreement No. 130

Township 1 South, Range 17 West, S.L.M. Section 7: SE4, SE4SW4, NE4SW4,

SEŁ, SEŁSWŁ, NEŁSWŁ, EŁNWŁSWŁ

Section 8: St Section 9: Siz

Section 10: SWZ

Section 15: NW% and that portion of the SW%

lying north of the north nonaccess line of the new interstate highway I-80

Section 17: N's and that portion of the S's

lying north of the north nonaccess line of the new interstate highway I-80

Section 18: NE', E'E'NW' and that portion

of the SE% lying north of the north nonaccess line of the new

interstate highway I-80

Township 1 South, Range 18 West, S.L.M. Section 7: (All) Lots 1, 2, 3, 4, E2W2, E2

Township 1 South, Range 19 West, S.L.M. Section 12: All

IV. Utah State Lands Under Potash Lease To Operator Township 1 North, Range 17 West, S.L.M., Utah

Section 32: All Section 36: W¹/₂

Township 1 South, Range 17 West, S.L.M., Utah

Section 2: (Why) Lots 3, 4, Shank, Swh

Section 16: All Section 32: All

Township 1 South, Range 18 West, S.L.M., Utah

Section 36: S\(\frac{1}{2}\)SE\(\frac{1}{2}\), NE\(\frac{1}{2}\)SE\(\frac{1}{2}\),

EZNWESEE, EZSEZNEZ

Township 2 South, Range 17 West, S.L.M., Utah

Section 16: W≥

Township 2 South, Range 18 West, S.L.M., Utah

Section 16: S½ Section 32: All

Township 2 South, Range 19 West, S.L.M., Utah

Section 16: All Section 32: All Section 36: All

Township 3 South, Range 19 West, S.L.M., Utah

Section 2: (W1) Lots 1, 2, 3, 4, S1N2